

CBS prime time prices slide to third

Our World \$ 30,000	Simon & Simon \$ 76,000	Family Ties \$300,000	Cheers \$230,000	Night Court \$206,000	Starman \$ 64,000
Cosby Show \$380,000	Webster \$ 78,000	Mr. Belvedere \$ 77,000	Sledge Hammer \$ 59,000	Sideways \$ 61,000	Falcon Crest \$103,000
Scarecrow and Mrs. King \$ 96,000			Dallas \$145,000	Miami Vice \$195,000	L.A. Law \$139,000
			Heart of the City \$ 74,000		Spenser: For Hire \$ 82,000
					Tiempo \$108,000

The three-network scorecard: See Page 70.

By VERNE GAY

New York—CBS-TV, the highest-price network last year, has become the cheapest in a fourth-quarter prime time network tv season that saw the average price of a 30-second commercial dip 0.6% to \$118,119. According to Advertising Age estimates based on interviews with agency buyers and the networks, NBC leads the pricing pack with an average 30-second spot priced at \$134,092, up 14% over last year. ABC

moves into second place at \$112,943, despite a 4% average drop in unit prices. CBS, averaging \$120,700 last year, fell 10.9% per unit to \$107,491. The 0.6% over-all reduction in average unit prices compares with a 14% gain last year and is consistent with the fact that a sluggish economy has intensified pressures on media-pricing strategies and advertiser spending plans. Officials at CBS and NBC confirmed the (Continued on Page 70)

© Entire contents copyright 1986 by Crain Communications Inc. All rights reserved. \$1.50 a copy; \$57 a year

Monday, September 29, 1986

Advertising Age

Crain's International Newspaper of Marketing. In Two Sections. Section 1.

Saatchi's 'Wall St. Week'

Jacoby's defeat

What's it all about?

By STEWART ALTER

News Analysis
If Saatchi & Saatchi Co. had themselves as an account they'd lose it. This gigantic communications combine seems to be better at articulating strategy than anything else, for its story has not translated well across the Atlantic. So off-target is its communications that Saatchi's acquisition of Ted Bates Worldwide, with its aftermath of account losses and management turmoil, has polarized the industry perhaps as no other event has done. With all the money that flowed into the pockets of Bates' ousted ceo Robert Jacoby and other agency executives, the cry has gone out that Saatchi has trampled on the supposedly sacred ground of client (Cont'd on P. 85)



Maurice's U.S. trip to calm investors

By STEWART ALTER

New York—Saatchi & Saatchi Co. chairman Maurice Saatchi is said to be planning a U.S. trip to restore confidence on Wall Street after personnel upheavals at Ted Bates Worldwide and continuing client defections. There was no official confirmation from London-based Saatchi & Saatchi, but the financial community here is expecting a high-power Saatchi delegation to arrive later this fall, most likely in November. That schedule seems to indicate Mr. Saatchi probably will come armed with the results for the latest fiscal year, which closes Sept. 30, and that his numbers can be expected to be positive and on target, despite the turbulence that has surrounded the company since it announced plans to purchase Bates in May. It would be an uncharacteristic public relations effort for Mr. Saatchi, who very rarely communicates directly with analysts or the press. The price of Saatchi stock has dropped from \$37 when it acquired Bates to the \$25-to-\$26 range last week, following the highly publicized sacking of Bates chairman-ceo Robert Jacoby and another client loss, this one involving \$25 million in

General Foods billings. GF moved \$5 million in Log Cabin syrup billings to Ogilvy & Mather. The advertiser's second move sent \$20 million in combined Louis Rich turkey and luncheon meats and Good Seasons dressings to D'Arcy Masius Benton & Bowles. That move was unrelated to the Bates (Continued on Page 84)

Last Minute News

HHCC wins at Revlon

New York—Revlon has named Hill, Holliday, Connors, Cosmopolis to its estimated \$5 million-to-\$10 million Charlie fragrance account, an assignment previously handled in-house. HHCC beat out Hal Riney & Partners and now stands to gain additional assignments, based on comments by Revlon executives (AA, Sept. 15). Separately, Boston-based HHCC denies reports that it was discussing merger or acquisition with Tatham-Laird & Kudner, Chicago.

Elvira vamps for Coors

GOLDEN, COLO.—Adolph Coors Co. next month will run a monthlong, Halloween-themed campaign for its Coors and Coors (Continued on Page 8)

Burgerville sees third dimension in tv ads—Page 2

Microwave launch pits Quaker vs. Pillsbury—Page 3

4520 EAST-WEST HWY #800
SRI ACQUISITIONS
CONGRESSIONAL INFO SERVICE
AA 863999 99 GSA
*****5-DIGIT 20014
DC 20014

Highlights

CBS plummets to last place

CBS-TV, the highest-price network last year, has become the cheapest in a fourth-quarter prime time network tv season that saw the average price of a 30-second commercial dip 0.6% to \$118,119.

Ogilvy's SAGE vision

Ogilvy Group has launched SAGE Group, a marketing consulting business whose focus is product movement at the retail level. Ogilvy sees a major opportunity in integrating and interpreting the wealth of new data and technology revolutionizing package-goods retailing.

Chiat sows its oats

Chiat/Day is joining Quaker Oats Co.'s stable of agencies just as the marketer takes on giant Pillsbury Co. in the \$459 million microwave foods market.

DeGregorio's stress test

Tony DeGregorio calls his move to Ogilvy & Mather in Chicago an unexpected but welcome way to inject some stress into his life.

Aramis beefs up product line

Although it has been on the market for 22 years, Aramis is still the No. 1-selling men's fragrance in department stores. To keep things that way, the company is taking the offensive, introducing Wetplex, a hair-styling additive, and Lab Series, a skincare line.

Ibuprofen bottleneck ends

The field of competitors in the ibuprofen-based pain-reliever market should get crowded quickly now that American Home Products' and Bristol-Myers' exclusive marketing rights for such products have run out.

Putting life in high-tech

Kids and special effects combine to "humanize" the technology behind consumer electronics in a big pre-Christmas ad push breaking next month from Panasonic.

Dodge casts Shadow

Move over, Christine. The introductory commercial for Chrysler Corp.'s Dodge Shadow proves there's more than one way to transform a car.

A good buy, scout's honor

Boys' Life, the official publication of the Boy Scouts of America, has remained a stoic reflection of scouting's traditional values since its debut in March, 1911. But in this anniversary year, there is another focus as well: To draw attention of advertisers to *Boys' Life* as a medium with which to reach the young male market.

FEATURES

Brady Blass(ts) Fairchild

Fashion designer Bill Blass excuses himself from James Brady's book party, and ADVERTISING AGE's columnist believes influential *Women's Wear Daily* publisher John Fairchild is behind it.

INTERNATIONAL

A view from Horn's rim

Meet Mark Horn. About five years ago, Mr. Horn became one of the few Americans to work for Dentsu, Japan's largest agency. He recently talked to ADVERTISING AGE about what's it's like to be a Yankee adman living and working in Tokyo.

REGULAR FEATURES

ADVERTISER PEOPLE	77	DIRECT AND PROMOTIONAL MARKETING	78	PUBLIC RELATIONS BEAT	28
ADVERTISING MARKETPLACE	73	EDITORIAL	17	REGIONAL NEWS	62
ADWHIRL	76	FOR THE RECORD	81	SHOOT	56
BACK PAGES	68	FORUM	18	STREET TALK	90
BRADY	48	GARFIELD/ON THE LOOSE	64	T.N.T., THE NEXT TREND	40
BRADY'S BUNCH	68	LETTERS	20	U.S. NEWSWATCH	4
CATEGORY REVIEW	26	MEDIAWORKS	58, 60	WORDS	48
CON-SID-ERATIONS	17	NAMES IN THE NEWS	12	WORLD NEWS ROUNDUP	3
CONTRACT SPORTS	54	OBITUARIES	22, 52		
CORRECTIONS & CLARIFICATIONS	8	PARTING SHOT	46		
CREATIVE FOCUS	46	PHOTO REVIEW	66		
CURRENTS	42	PRESSTIME	8		

Vol. 57, No. 51—ADVERTISING AGE (ISSN 0001-8699) is published weekly except semiweekly the fourth week in March and the first week in September at 740 Rush Street, Chicago, Ill. 60611-2591. Second-class postage paid at Chicago and additional mailing offices. Send address changes to ADVERTISING AGE, Circulation Department, 965 E. Jefferson, Detroit, Mich. 48207. Microfilm copies are available from University Microfilms, 300 N. Zeeb Rd., Ann Arbor, Mich. 48103. Microfiche copies are available from Bell & Howell, Micro Photo Division, Old Mansfield Rd., Wooster, O. 44691. \$1.50 a copy, \$57 a year, \$104 two years. Add \$69 per year for air delivery to Europe & Middle East. Add \$34 for surface mail to all other foreign countries. WILLIAM STRONG, vp-circulation; JOHN HUFFMAN, fulfillment director; DAVE KELLEY, circulation manager. Four weeks' notice required for change of address. Address all subscription correspondence to Circulation Department, Advertising Age, 965 E. Jefferson, Detroit, Mich. 48207 (313) 446-0494.

OTHER NEWS

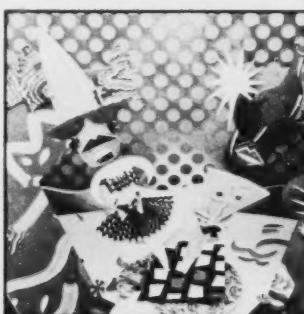
A new margarine marketing war is being waged over health claims. Lever Bros.' Promise spread, supported by an \$18 million campaign urging consumers to "get heart smart," has helped trigger a new health-oriented effort by Nabisco Brands' Fleischmann's, claiming it can help reduce cholesterol. Page 6.

Oldsmobile will take a spin at capturing the expressive, sportier upscale car market that has eluded General Motors' Buick division. Buick, meanwhile, will turn to more conservative and upscale positioning, encroaching on the traditional territory of Cadillac. Page 22.

Despite the threat of a lawsuit by Major League Baseball, Sport says it will continue its tradition of presenting most-valuable-player awards for the League Championship Series and World Series. Chevrolet, signed last year as MLB's sponsor of its MVP award, has renewed sponsorship for 1986. Page 68.

As if the Outdoor Advertising Assn. didn't have enough problems this week with Congress trying to paint another layer of regulation on the industry, it also must contend with a group of small-board owners who think OAA's efforts to shape the legislation are selling them out. Page 83.

SPECIAL REPORT



Pennsylvania isn't easy to categorize. Philadelphia and Pittsburgh are worlds apart in the minds of most people. Pittsburgh no longer fits the image of a smokestack town, adding high-tech companies to its economic base. Special Report examines the state's mix of blue-collar, white-collar and agricultural economies.

FIGURES TO FILE

NETWORKS' 30-SECOND PRICE LIST, 1986-87 SEASON 70

Westwood looking for radio net

By VERNE GAY

NEW YORK—Westwood One, the radio network company, is on an acquisition trail that could soon lead it to ownership of one of the nation's leading radio networks, including those of ABC, CBS or NBC.

Los Angeles-based Westwood One on Sept. 25 filed a proposed offering with the Securities & Exchange Commission to raise \$100 million to be "used for acquisitions complementary to the company's existing business."

Norm Pattiz, chairman of Westwood One, said speculation that his company would pursue the NBC Radio division properties was "logical." There have been reports that General Electric, which acquired NBC parent RCA Corp. this summer, wants to sell off the network's radio properties.

But Mr. Pattiz said the \$100 million war chest could be used to purchase any of the Big 3 network radio operations.

"It's likely one of the major networks will be sold off," he said, "and [we] want to be in a negotiating position when that happens."

"Our feeling is that there will be additional consolidation in the network radio industry and [with the offering] we're positioning ourselves to take advantage of these," said Mr. Pattiz. "Are we close to making a deal? No. Do we think things are going to happen in the marketplace? Sure we do. We feel in a (Continued on Page 82)

Burgerville spots add a dimension

By BRIAN LOWRY

A small Vancouver, Wash.-based hamburger chain is about to bring a new dimension to the world of tv advertising.

The Holland Inc., which operates 29 Burgerville USA restaurants in Oregon, will air what it claims is the first 3-D tv commercial in late October.

The 3-D spots cap a yearlong 25th anniversary promotion for the chain and will support a 3-D Meal Deal—a double-beef burger, drink and dessert—that includes a pair of 3-D glasses with purchase.

The company will lead into the campaign with print ads advising consumers to visit Burgerville units to pick up their glasses. Employees will wear 3-D buttons that read, appropriately, "You need glasses."

The two-month tv effort will begin with a 60-second spot, the

first half shot normally, using company president George Propstra as spokesman.

Near the end of 30 seconds, Mr. Propstra will say, "Wouldn't it be more interesting to see this commercial in 3-D?" and then don a pair of glasses.

At that point, the screen will blur as it switches to 3-D, and the commercial will be replayed, with "more up-tempo music and a livelier reading" by Mr. Propstra, Burgerville vp-marketing Pat Klinger said.

Since Burgerville's ad budget is only about \$1 million, Mr. Klinger believes it needs to take chances to get noticed. "Our budget is one-700th of McDonald's," he noted. "We have to do these things to stand out."

Borders, Perrin & Norrander, Portland, is Burgerville's agency. President-creative director Bill Borders supervised the campaign.

West Coast News

Arco pumping up ad spending by 70%

LOS ANGELES—Atlantic Richfield Co. has raised its ad budget by 70% to more than \$25 million, sources say. Increases are said to be spread across the board for its gasoline, pay-point electronic cashier, AM-PM Mini Market and MP&G Tuneup Center divisions. Kresser, Craig/D.I.K. handles.

LOS ANGELES—Neal Lemlein resigned as vp-marketing/media services, 20th Century Fox Film Corp. Sources linked the move to the Oct. 6 arrival of former Paramount senior vp Susan Pile as Fox senior vp-marketing.

OAKLAND—New Zealand Kiwi Fruit Authority is reviewing agencies for what could be a \$2 million-to-\$3 million account. Allen & Dorward; Goodby, Berlin & Silverstein; incumbent Lowe Marshalk, and other, unnamed San Francisco agencies are involved.

SAN FRANCISCO—Bank of America ceo Sam Armacost used a statewide radio spot last week to deny "unfounded and unfair rumors" the nation's second-largest bank would go bankrupt. Grey Advertising handled.

ABP

MPA



U.S. NewsWatch

Marketing news from regional centers across the country

Ray Charles to croon for Georgia tourists

ATLANTA—The State of Georgia Tourism Dept. will unveil a tv and print campaign next year based on the song "Georgia on My Mind." Ray Charles has rerecorded the music for 30 and 60-second tv spots, which will air in the Southeast and on CNN and superstation WTBS. Pringle Dixon Pringle handles the \$2.1 million campaign.

OKLAHOMA CITY—**Sonic Industries**, a southwestern drive-in restaurant chain, is negotiating to acquire competitor Dearborn, Mich.-based A&W Restaurants' 500 units. Lowe Runkle Co. handles Sonic. Unicom Marketing, Southfield, Mich., handles A&W.

CHICAGO—**Evans Inc.**, national fur and apparel retailer, Oct. 10 breaks a tv campaign in Chicago and Los Angeles targeting young professional women. J. Walter Thompson USA handles.

GOLDEN, COLO.—**Adolph Coors Co.** this week introduces George Killian's Irish Red Ale to the Washington-Baltimore area. Radio (Continued on Page 62)

ADWATCH

Bartles, Jaymes keep coolers hot

By JULIE FRANZ

Frank Bartles and Ed Jaymes have a lot of people to thank for their support.

The two pitchmen for E. & J. Gallo Winery's Bartles & Jaymes wine cooler, who traveled by bus to New York in tv spots this summer to bolster sales of their wine cooler, made an impact on consumers' recall of wine advertising, according to ADVERTISING AGE's August adWatch survey.

The poll shows that B&J's share of first mentions increased 3.5 percentage points to 12.2%, making it the best recalled wine advertiser during August.

Frank and Ed, who may visit other cities this fall in their Hal Riney-created campaign, sampled those funny donuts New Yorkers eat (bagels) and mortgaged Ed's house to buy the Brooklyn Bridge while visiting the Big Apple. The two have been touting B&J wine cooler since it was introduced more than two years ago.

The effort is part of Bartles & Jaymes' drive to remain the No. 1-selling cooler by pushing heavily in large cities. Included in the promotion is point-of-sale material designed specifically for use in bars.

California Cooler's \$20 million

"Real stuff" campaign also made waves in the August adWatch survey, boosting the brand's share of ad recall by 2.7 points to 5.1% of first mentions from the sample. That moved the brand into fourth position from fifth place in the July survey (when it captured 2.4% of first mentions).

The tv campaign delves into the product's heritage, depicting the California surfers and surfettes who first discovered the joy of mixing wine and fruit.

Holding down the No. 2 spot in the wine category (with 9.2% of first mentions) are E. & J. Gallo's Riney-created image spots—set to music by Vangelis, of "Chariots of Fire" fame—for Gallo's table wines. Riney is third with 6.5% of first mentions; Paul Masson ranks (Continued on Page 80)

SOUTHERN CALIFORNIA'S BEST MARKET IS GOING PLACES

More than one in four Orange County adults went abroad during the last three years. With Southern California's highest household income, they're well able to afford wanderlust. The Register MetroGroup reaches more of them than any other newspaper.



THE ORANGE COUNTY
Register
METROGROUP

The only way to influence
Southern California's best market.

Represented Nationally by Cresmer, Woodward, O'Mara & Ormsbee, Inc.

Two top Okla. shops to merge

By CURT AUTRY
and LISA WELLS

Oklahoma's two largest agencies will merge to form Ackerman, Hood & McQueen, becoming one of the largest independent agencies in the Southwest.

Oklahoma City-based Ackerman & McQueen and Hood, Hope & Associates, Tulsa, bill \$33 million and \$30 million, respectively.

"Both of us have had the same frustrations. Each of us is ambitious and has aspirations that take us knocking on bigger doors. But these clients were telling us we just weren't big enough to be seriously considered," said Angus McQueen, Ackerman & McQueen president, who becomes president-ceo of the merged shop.

"This gives us the opportunity to (Continued on Page 86)

Better Homes[®] and Gardens[®] 1987 MALL HOME SHOW



- Shopping Malls
- Hourly Product Demonstrations
- 4,000,000 Live Audience
- Product Sampling & Couponing

Contact Shopping Center Network
for this and other targeted mall events.

SHOPPING CENTER NETWORK

11410 N. Kendall Drive • Suite 303 • Miami, FL 33176 • (305) 595-0201
Miami • New York • Los Angeles • Chicago

Prices

(Continued from Page 1)

prices shown in the chart that accompany this article.

While ABC officials said their prices were substantially higher than listed here, extensive interviews with agency buyers disclosed that the chart's prices were far more accurate, except for Tuesday night, which the buyers said was still overstated by as much as \$20,000 per 30-second unit. Despite this discrepancy, ABC's maximum potential weekly revenues still would top CBS.

The prices garnered by ABC indicate that buyers believe last year's No. 3-rated network can make a strong run at unseating CBS for second place. Apparently, ABC also was able to get exceptionally high prices on new shows. If the new shows do not perform up to ratings expectations, ABC could end up in a costly make-good situation. In the meantime, its revenues would have been far greater than earlier anticipated.

While it was expected that the average unit cost of network tv in 1986-87 would be flat compared

for each network on a night-by-night basis would be:

Sunday: CBS, \$7.4 million; ABC, \$6.6 million; NBC, \$6.1 million.

Monday: NBC, \$5.3 million; ABC, \$5.1 million-to-\$5.6 million; CBS, \$4.8 million.

Tuesday: ABC, \$6.9 million; CBS, \$3.3 million; NBC, \$3.3 million.

Wednesday: ABC, \$5.4 million; NBC, \$4.5 million; CBS, \$3.4 million.

Thursday: NBC, \$8.6 million; CBS, \$4.1 million; ABC, \$2.6 million.

Friday: NBC, \$5.4 million; CBS, \$4.3 million; ABC, \$2.5 million.

Saturday: NBC, \$4.7 million; CBS, \$3.6 million; ABC, \$2.9 million.

The network prices also reflect pricing only during October and November, traditionally one of the highest-price periods of the broadcast year (April and May are similarly high price). Each network has different price "breaks" that reflect demand during a particular time of year—there can be as many as 30 such breaks during the course of a year.

For example, fourth-quarter prices "break" after Christmas, when advertiser demand softens.

In terms of revenue, NBC will win Thursday, Friday and Saturday. ABC will win Tuesday and Wednesday. CBS will win Sunday. Monday belongs to either ABC or NBC, depending on ABC's price tag for "Monday Night Football."

with 1985, network tv nonetheless achieved several pricing milestones. Among them:

- Two shows have cracked \$300,000 per 30-second spot. Both are NBC programs: "The Cosby Show," by far the most expensive at \$380,000, and "Family Ties," at \$300,000. The most expensive shows on ABC are "Moonlighting" and "Who's the Boss?" both at \$215,000. CBS' most costly show is "60 Minutes," priced at \$161,000, down from \$195,000 last year.

- "Cosby" increased its price tag by \$110,000, giving the series network tv's biggest price hike for the second consecutive year. The record drop for the year belongs to CBS' "Simon & Simon," plunging from \$180,000 in 1985 to \$72,000 this year.

- ABC's "Dynasty," the network's highest-price show last year at \$235,000, dropped \$57,000 per 30-second spot to \$178,000, a 24.5% price cut.

- The richest nights of the week are Thursdays and Sundays, with combined network potential revenues of \$15.2 million and \$20.1 million, respectively. Prime time covers one hour more on Sundays than on the other nights of the week.

- In terms of revenue, NBC will win Thursday, Friday and Saturday. ABC will win Tuesday and Wednesday. CBS will win Sunday. Monday belongs to either ABC or NBC, depending on ABC's price tag for "Monday Night Football."

- If the networks consistently were to fetch these prices and sell out their inventories, the three-network total weekly prime time fourth-quarter revenue would be about \$101 million. NBC would reap \$37.9 million; ABC, \$32.1 million, and CBS, \$30.9 million.

- If the networks were to sell out all 6 1/4 minutes of advertising per prime time hour (seven minutes in movies and 25 30-second units in "Monday Night Football"), and if they were to receive the rates shown in the accompanying chart, the maximum revenue potential

Recent upfront-pricing levels (AA, July 14) also differ from Ad Age's unit costs. To carve the largest share of the total upfront market, where advertisers buy inventory for the full year, both CBS and ABC cut cost-per-thousand prices slightly. (Advertisers negotiate cpms rather than strict unit costs.) Some major clients won deals on CBS at 5% lower rates than last year. Over-all pricing for the 1986-87 season was down about 1% on both ABC and CBS. Unit costs for the fourth quarter reflect this softness.

NBC booked a 20% gain in unit pricing for the fourth quarter. For the year, however, the network had a 3%-to-6% increase in cpms. The reason for the discrepancy: Thursday.

NBC's Thursday fall schedule is especially sought-after by motion picture advertisers, who want to be on tv's hit shows as they bring or their holiday releases. These advertisers clamor for the best placement on the best shows and will pay the freight. NBC's fourth-quarter Thursday average is substantially higher than the rest of the year. Some movie advertisers reportedly paid as much as \$400,000 a 30-second spot for "Cosby" this fall.

Some other pricing discrepancies: ABC's "Monday Night Football" was sold for approximately \$175,000 to most advertisers, however others paid as low as \$135,000. Some buyers were surprised that ABC had a higher average price than CBS. The rankings could be different on a demographic basis, rather than total households as presented here. ABC would still be higher than CBS in adults 18 to 49—the network's strongest demographic—while CBS likely would be higher for adult women, according to buyers. The buyers also said that ABC's "Monday Night Football" is generally considered sports rather than prime time inventory. Without "MNF," ABC's average prime time unit would drop to \$109,000, still higher than CBS.

Networks' 30-second price list, 1986-87 season

1986 network television unit costs reflect the average advertisers will pay during October and November, one of the highest priced periods of the broadcast year. Advertisers' estimates reflect the average costs paid by several agencies. NBC-TV significantly widened the margin over its rivals on a cost-per-unit basis in 1985-86. For the first time ever, a regular series—"The Cosby Show"—was priced at \$380,000. The strong night for ABC-TV is Tuesday and for CBS-TV, Sunday. *Eastern Time. New shows in gray. Source: Advertising Age.

	7:00*	7:30	8:00	8:30	9:00	9:30	10:00	10:30
MONDAY	ABC		MacGyver \$96,000		NFL Monday Night Football \$135,000 - \$175,000			
	CBS		Kate & Allie \$122,000	My Sister Sam \$110,000	Newhart \$151,000	Designing Women \$150,000	Cagney & Lacey \$120,000	
	NBC		ALF \$ 90,000	Amazing Stories \$117,000	NBC Monday Night at the Movies \$145,000			
TUESDAY	ABC		Who's the Boss? \$215,000	Growing Pains \$205,000	Moonlighting \$215,000		Jack and Mike \$125,000	
	CBS		The Wizard \$ 59,000		CBS Tuesday Night Movies \$ 91,000			
	NBC		Matlock \$115,000		Crime Story \$ 82,000		1986 \$ 59,000	
WEDNESDAY	ABC		Perfect Strangers \$116,000	Head of Class \$106,000	Dynasty \$185,000		Hotel \$130,000	
	CBS		Together We Stand \$ 80,000	Better Days \$ 78,000	Magnum, P.I. \$ 86,000		The Equalizer \$ 99,000	
	NBC		Highway to Heaven \$128,000		Gimme a Break \$108,000	You Again? \$101,000	St. Elsewhere \$125,000	
THURSDAY	ABC		Our World \$ 30,000		The Colbys \$ 63,000		20/20 \$105,000	
	CBS		Simon & Simon \$ 78,000		Knots Landing \$132,000		Kay O'Brien \$102,000	
	NBC		Cosby Show \$380,000	Family Ties \$300,000	Cheers \$230,000	Night Court \$206,000	Hill Street Blues \$148,000	
FRIDAY	ABC		Webster \$ 78,000	Mr. Belvedere \$ 77,000	Sledge Hammer \$ 59,000	Sluekicks \$ 61,000	Starman \$ 64,000	
	CBS		Scarecrow and Mrs. King \$ 86,000		Dallas \$145,000		Falcon Crest \$103,000	
	NBC		The A-Team \$ 82,000		Miami Vice \$195,000		L.A. Law \$139,000	
SATURDAY	ABC		Life With Lucy \$ 74,000	Ellen Burstyn \$ 75,000	Heart of the City \$ 74,000		Spenser: For Hire \$ 82,000	
	CBS		Downtown \$ 79,000		The New Mike Hammer \$ 90,000		Twilight Zone \$108,000	
	NBC		Facts of Life \$107,000	227 \$120,000	Golden Girls \$175,000	Amen \$131,000	Hunter \$114,000	
SUNDAY	ABC	Disney Sunday Movie \$105,000				ABC Sunday Night Movie \$131,000		
	CBS	60 Minutes \$161,000	Murder, She Wrote \$156,000		CBS Sunday Night Movies \$118,000			
	NBC	Our House \$ 71,000	Easy Street \$101,000	Valerie \$132,000	NBC Sunday Night at the Movies \$134,000			

DeGregorio

(Continued from Page 12)

reality" in his work doesn't "gravitate to beautiful people" and slickly produced spots that lack creative ideas.

That may help him adapt to the midwestern agency climate.

"If the work is not, in your judgment, good enough, [a new job] is a tremendous challenge and potentially a disaster," he said.

Before joining LHS&B in January, 1984, Mr. DeGregorio was a creative director at McCann-Erickson in New York, where he created the "Coke is it" campaign for Coca-Cola Co. and worked on the Sony account.

He also has worked at BBDO and the Ogilvy Group's Scali, McCabe, Sloves in New York and worked briefly with Mr. O'Reilly on a Windsor Canadian whisky campaign while both were at Young & Rubicam.

Wim Sloodweg, senior vp-general manager at O&M in Chicago, said two factors made the agency comfortable with its new hire:

"Creatively, he's absolutely a powerhouse. But equally important, he's an awfully nice guy. He's not going to upset people; he's not going to be a bully" seeking to dictate creative edicts and "put a stamp on everything."

Mr. DeGregorio said he plans to juggle administrative assignments with creative work, particularly on the Sears business, for which O&M handles hard lines such as tools, appliances and electronics.

But "it would be unrealistic to say I'm going to do as much [creative] work as I do now." He also will become a member of O&M's new-business team with Mr. Sloodweg and exec vp-managing director William Whitney.

Mr. DeGregorio's wife, Joan, and two daughters will join him in Chicago; the city-raised executive said he'll avoid the suburban life.

LHS&B vice-chairman, director of creative services Allan Beaver, who hired Mr. DeGregorio nearly three years ago, called him "a terrific talent" and said the new executive job "certainly changes your perspective on what you can do in your workday."

Mr. Beaver said he likely will



TONY DeGREGORIO

replace Mr. DeGregorio soon from outside the agency.

Mr. DeGregorio may be saddest about leaving partner and vp-creative director Lee Garfinkel, who co-created the Subaru spots.

"We've had such a terrific collaboration," he said. "It's going to be a sad parting, because you get into these grooves with someone, and that's going to be a little hard to break."

Coolers

(Continued from Page 4)
fifth with 1.4% of first mentions.
AdWatch is a joint project of Ad Age and SRI Research Center, Lincoln, Neb.

Ad awareness is measured by asking a nationally projected sample to name the advertising that first comes to mind—over-all and in a variety of product categories—from among all advertising seen, heard or read in the previous 30 days. During August, 1,000 consumers were polled by telephone.

Those changes in advertising awareness that are deemed statistically significant by AdWatch researchers can be attributed to more than sample variation.

Ford Motor Co.'s continuing "Best-built American cars and trucks" theme helped pull the brand's advertising awareness out of a slump.

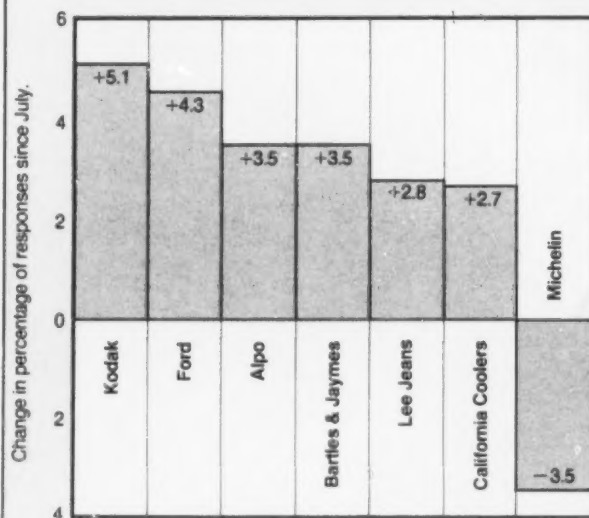
Those ads broke in June with a print campaign. In August, Ford added 4.3 points to its share of first mentions to boost its score to 22.7%. Ford's share had dropped 3.8 points to 18.4% of first mentions in July. Ford's advertising is still the most often mentioned auto advertising, followed by Chevrolet's 14.1% of first mentions; Toyota's 8.8%; Nissan's 4.8%, and General Motors' 4.4%.

August's 10 best-recalled ads (unaided by request for a specific product category) were, in descending order: Coca-Cola, Miller/Miller Lite, Pepsi-Cola, Ford, McDonald's, Budweiser/Bud Light (Anheuser-Busch), Bartles & Jaymes, K mart, Levi Strauss and 7UP.

New to the top 10 are Bartles & Jaymes, K mart, Levi Strauss and

August winners and losers

Question: Question: Of all the advertising for (product category) you have seen, heard or read in the past 30 days, which ad first comes to mind?
Source: SRI Research Center Inc., Lincoln, Neb.



7UP, bumping Marlboro, Jell-O and Coors, which had been among July's top 10.

Among other significant changes in advertising awareness during August:

- Eastman Kodak's advertising awareness gained 5.1 percentage points for a total of 27.4% of first mentions among camera advertisers. That accounts for the biggest gain in awareness in the August adWatch poll. Canon's advertising remained in second with 12.7%, followed by Minolta with 5.7% of first mentions.

- Advertising for American Tobacco's Carlton cigaret brand ("If you smoke, please try Carlton") made its first appearance among

the top five tobacco advertisers, placing fourth with 1.9% of first mentions.

The brand's advertising garnered 1.3% of first mentions in July. Philip Morris Inc.'s Marlboro remains the leader in the tobacco category with 7.9% of first mentions (unchanged from the previous month). United States Tobacco Co.'s Skoal smokeless tobacco is second with 3.9% and RJR Nabisco's Winston is third with 2.7% of first mentions.

For additional information or data, contact Gary Gabelhouse, SRI Research Center, 301 S. 68th St., Lincoln, Neb. 68506. Phone: (402) 489-0351.

Street Talk

Do you think P&G's "punishment" of the Saatchi & Saatchi agency network will encourage other clients to take a tougher stance on account conflicts, in effect reversing the trend toward a more liberal attitude?



E. HARRIS

Elizabeth Harris, president/creative director, Harris-Edward, Philadelphia: It's all right to resign an account because of a conflict. Clients should look at the quality of the creative rather than conflicts. After the shakeup, P&G will still have to find an agency as good as Saatchi & Saatchi. Agencies like Saatchi have gotten there because they're that good; that's what clients should be thinking of. Now where will P&G go? They'll have to look hard to find another big agency not affected by mergers.



J. DURFEE

Jim Durfee, creative director, Durfee & Solow Advertising, New York: In our business particularly, we're a world of follow-the-leaders. There has been a lot of re-evaluating going on among advertisers, and who better to follow than P&G? It may not be a long-term phenomenon, but in the short term, yes, it could help other re-evaluations to occur.



R. BADAMI

Richard Badami, exec vp. Phillips-Ramsey, Los Angeles: A company of P&G's clout and influence sets the tone for our business. A lot of other advertisers may be thinking, "Maybe P&G knows something we don't know." The so-called "liberal attitude" is an attempt by the agencies to justify the merger moves to the clients. Obviously, this client isn't buying it. P&G must have looked at the situation and thought the merger would be a liability and not an asset. I don't think P&G wouldn't have made the change.



S. RICHARDS

Stan Richards, creative director, Richards Group, Dallas: I think liberalization of the conflict issue will continue, in spite of what may have happened between any one agency and its client. The trend toward mega-agencies will continue, and those agencies are not going to walk away from substantial pieces of business every time they merge. Also, a lot of times clients use conflict as a way to justify an agency change when that is not the heart of the matter.



D. SULLIVAN

Donald Sullivan, general manager, J. Walter Thompson USA, Chicago: P&G always has had the most rigid definition of client conflicts and I don't think other companies will move in the same direction. Now, there are fewer agencies to choose from, and if you enact [a P&G-type] policy, you'll lose agencies in your stable. I think clients will maintain their policies, because more restrictive policies are not in their best interest. Clients won't change their policies just because the Saatchis would like them to.

Want to be part of this weekly feature? You can enhance your chances by sending a clear, recent—and expendable—photo plus your company, title and phone number to: Street Talk, ADVERTISING AGE, 220 E. 42nd St., New York 10017. If AA then solicits your comments about an advertising topic, your photo will accompany your quote.

National Yellow Pages

HOTLINE

Call with questions about your National Yellow Pages Program

1-800-742-1002 • 1-800-354-5677
In N.Y. State

Marketers to accountants:

NOW!

TWO UNIQUE SELLING OPPORTUNITIES THAT HAVEN'T COME ALONG SINCE BEFORE YOU WERE BORN

They're both yours in the November and December issues of the Journal of Accountancy.

In both issues, our editors and professional accountant-contributors will completely explain and analyze the most sweeping federal tax changes in the last 70 years.

So, you can expect our more than 286,000, high-level paid subscribers to read both issues closely, discuss them with colleagues and refer to them often.

Do you need more incentives? How about a CPM of only \$18.60? That's lower than all accounting magazines and the leading general business publications — BusinessWeek, Forbes, Fortune, and The Wall Street Journal.

The closing date for November is right now. And December, on November 3rd.

So call (212) 575-6286 today!

JOURNAL OF ACCOUNTANCY

American Institute of
Certified Public Accountants
1211 Avenue of the Americas
New York, NY 10036

Monday, October 6, 1986

Advertising Age

Crain's International Newspaper of Marketing. In Two Sections. Section 1.

Who won, who lost in Kraft shuffle

Leo Burnett USA was the big winner in the Kraft agency shuffle, adding an estimated \$43 million in business from J. Walter Thompson USA and the \$7 million Parkay margarine account from DDB Needham Worldwide. Thompson was the biggest loser, dropping an estimated \$97 million in Kraft accounts but retaining another \$75 million in Kraft business. Source: Advertising Age.

New agency	Account	Billings	Previous agency
Leo Burnett	100% Natural Cheese	\$30 million	JWT
	Pourable Dressings	8 million	JWT
	Parkay	7 million	DDB Needham
	Cracker Barrel cheeses	3 million	JWT
	Casino cheeses	2 million	JWT
Foote, Cone & Belding	Miracle Whip	\$20 million	JWT
	Grated cheeses	6 million	JWT
	Tv specials	5 million	JWT
	Food trade	4 million	JWT
Young & Rubicam	Kraft mayonnaise	\$15 million	JWT
	Sauceworks sauces	4 million	JWT
	Kraft jams & jellies	1 million	DDB Needham
	Chantelle herbed mayo	(In test)	DDB Needham
Geers Gross	Spot media buying	\$85 million	NW Ayer
	Sealtest ice cream (Polar Bars)	5 million	Ayer

REMAINING AT J. WALTER THOMPSON

Kraft Singles cheese food	\$25 million
Philadelphia Brand cream cheese	15 million
Food service	13 million
Cheese Whiz	12 million
Cremerie triple cream	10 million

MANAGERS TAKE OVER TBS HELM

By VERNE GAY

Ted Turner, one of the most flamboyant, hands-on executives ever, has turned over the management of Turner Broadcasting System to a five-man management committee comprised of veteran TBS executives.

While Mr. Turner will retain his titles as chairman-president of TBS, he will now participate only in major corporate decisions. The five-man executive committee, now facing perhaps the most difficult financial period in the company's history, will oversee virtually all operations of the company, including finance, programming and marketing.

The management committee includes Robert Wussler, 50, TBS exec vp and a former CBS network president; Jack Petrik, 56, exec vp-general manager of Superstation WTBS who is heavily involved in long-range program planning and managing the MGM film library; William Bevins Jr., 40, vp-finance who structured much of the TBS acquisition of MGM; Gerald Hogan, 40, vp-broadcasting sales and Turner's main contact with the advertising community, and Terence McGuirk, 35, vp-special projects who oversees legal and cable matters.

The establishment of an independent management group at TBS represents a remarkable turnaround for Mr. Turner, who with bravado and flashes of brilliance built TBS from a near-bankrupt company in 1963 to one with estimated 1986 revenues of \$500 million.

TBS must retire \$600 million in debt asso-

ciated with the MGM purchase by December and faces another \$130 million in debt payments next year. The recent sale of the MGM studios and other assets for \$490 million will partly cover the December payment.

Mr. Turner began forming the committee a few weeks ago and, according to sources, the plan has been revised at least three times. The precise purpose, direction and authority of the group is "still taking focus," according to one source.

Mr. Turner is expected to spend more time on outside interests, including the Better World Society, a nonprofit, Washington-based organization that makes "advocacy" tv programs for TBS about pollution, overpopulation and nuclear proliferation. Mr. Turner is a founding member and chairman of the organization.

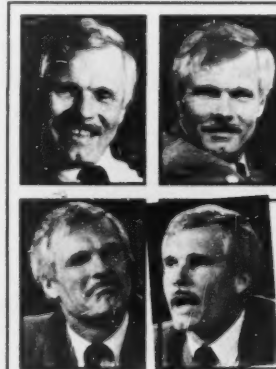
Mr. Turner also is expected to step up his globe-trotting activities in an all-out effort to build CNN's worldwide distribution.

Mr. Turner's personal life has also reportedly played a role in his decision to turn over day-to-day operations of TBS to the committee.

Mr. Turner reportedly has separated from his wife, Jane, and, several sources said, he has become tired of 20-hour workdays and wants to devote more time to his personal life and outside interests.

A TBS spokesman said establishment of the new management committee had nothing to do with Mr. Turner's personal life.

He said Mr. Turner has wanted to relieve "the crush" of business activities on him since the TBS acquisition of MGM last August. (Continued on Page 114)



Ted's career—P. 114.

Kraft brand shifts mark new strategy

Agency layoffs, tighter budgets are here to stay

By STEWART ALTER
News Analysts

NEW YORK—The layoff of about 60 employees at Ogilvy & Mather and the revision of Kraft Inc.'s agency compensation system were further signs last week that disinflation and flattened ad spending are having as much of an impact on the ad-agency business this year as megamergers.

Perhaps most significant, major agency heads do not see the current economy-related staff cutbacks or compensation pressures as cyclical and temporary. Instead, they talk about fundamental changes in the way the agency business is structured in account staffing, services provided to clients and compensation arrangements. More efficiency in creating effective advertising, less bureaucracy and more profitability are the rallying cries.

"The business has changed. Anybody who thinks it can go back to the way it was is smoking grass," (Continued on Page 117)

By JULIE FRANZ

CHICAGO—Changes in top management and strategic thinking at Kraft Inc. over the past few years—including a growing emphasis on product rather than corporate advertising—were behind its shift of \$125 million in advertising as-

Sears consolidation at Ogilvy reflects shift to local marketing. Story on Page 117.

signments.

Two agencies—DDB Needham Worldwide and NW Ayer—were removed from Kraft's roster last week, and billings were cut to \$75 million from nearly \$175 million at J. Walter Thompson Co., which has worked for and been closely associated with Kraft for 64 years. It originated the line, "America spells cheese, K-R-A-A-F-T."

Major winners in the agency shuffle were Leo Burnett Co., Foote, Cone & Belding, Geers Gross Advertising and Young & Rubicam.

The Glenview, Ill.-based company also restructured its compensation system to a commission and fee-only sys-

plained its moves by wants greater global and "major client" need on Page 116)

Last Minute News

Pillsbury talks cake with DMB&B, McCann, Y&R

MINNEAPOLIS—Pillsbury has approached several agencies, including New York shops D'Arcy Masius Benton & Bowles, McCann-Erickson and Young & Rubicam, to handle its \$15 million cake and frosting account, sources say. BBDO Worldwide, Chicago, resigned the business due to Omnicom merger conflicts (AA, Aug. 4). Pillsbury also is looking for a new agency for its \$15 million-to-\$25 million microwave-products assignment, still at BBDO.

Minolta's focus narrows to 6 agencies

RAMSEY, N.J.—Minolta last week narrowed the competition for its estimated \$20 million photography account to six New York agencies: Ammirati & Puris; Backer & Spielvogel; Bozell, Jacobs, Kenyon & Eckhardt; DDB Needham Worldwide; incumbent William Esty Co., and Jordan, Manning, Case, Taylor & McGrath. BJK&E now handles Minolta's estimated \$10 million office equipment account, as well as pr for both consumer and business divisions. DDB Needham handles the \$60,000 Cokin camera lenses and accessories account. A decision is expected by early December. (Continued on Page 8)

Highlights

Turner takes hands off TBS

Ted Turner, one of the most flamboyant hands-on executives ever, has turned over the management of Turner Broadcasting System to a five-man management committee comprised of veteran TBS executives.

The making of Spectra

The success of the Spectra instant photography system is concrete evidence that the marketing and engineering departments at Polaroid Corp. have come a long way toward communicating on the same level. Although both are part of the Polaroid "family"—a term not taken lightly by company employees—the marketing and engineering departments did not understand each other at all when they started collaborating on a new camera.

Business publishers consolidate

American City Business Journals' \$40 million acquisition of Business Journal Publishing Co., St. Louis, further consolidates ownership in the growing business-weekly segment as local media ad growth continues to outpace that of national media.

Admen like Oliver so far

Advertising industry lobbyists are enthusiastic about the tone of a recent speech on advertising and trade regulation issues by Federal Trade Commission chairman Daniel Oliver. Mr. Oliver appeared before a national Council of Better Business Bureaus meeting in San Diego last month, where he struck many of the same chords as his predecessor at FTC, James C. Miller III.

McCall gets McCaffrey & McCall call

It isn't every day that the author of "Zany Afternoons" becomes creative director of the self-proclaimed "fastest-growing direct-response agency in the country." But Bruce McCall did just that.

Agency payrolls on rise

Direct hourly payroll costs in the average small-to-mid-size agency just about doubled between 1977 and 1985, according to an analysis by a company that specializes in advertising agency computer and cost-accounting systems.

Sears' plans don't include DDB Needham

Sears, Roebuck & Co. last week dismissed DDB Needham Worldwide in favor of Ogilvy & Mather after adopting a new marketing strategy that will shift emphasis to regional promotions and local ad support.

FEATURES

Griner's got the look

In advertising, where directors are often chosen for their "look," Norman Griner, co-partner of Griner/Cuesta & Associates, looks different. Constantly changing his style to fit his clients, he claims to be equally inspired by Renaissance painters, Impressionists and Norman Rockwell.



N. Griner

INTERNATIONAL

Miller eyes Taiwan

The beer "made the American way" is casting its eyes overseas for growth. Miller Brewing Co. is awaiting the final nod, expected in the next two months, from the Taiwanese government to become the first imported beer there. Miller has a distributorship in Taichung, near Taipei, waiting to handle importing Miller High Life and Lite beers.

REGULAR FEATURES

ADVERTISING MARKETPLACE	107	GARFIELD/ON THE LOOSE	82	SHOOTS	80
AGENCY PEOPLE	98	GLOBAL GALLERY	82	STREET TALK	98
BACK PAGES	92	LETTERS	20	T.N.T.	
BRADY	64	MEDIA PEOPLE	28	THE NEXT TREND	54
BRADY'S BUNCH	92	MEDIAWORKS	88, 90	U.S. NEWSWATCH	4
CON-SID-ERATIONS	17	NAMES IN THE NEWS	40	VIDEOTECH UPDATE	32
CO-OP ADVERTISING	78	NEW PRODUCTS	104	WHAT'S IN STORE	78
CORRECTIONS & CLARIFICATIONS	6	OBITUARIES	12	WORDS	64
CURRENTS	58	OBSERVING	66	WORLD NEWS ROUNDUP	3
DIRECT AND		PARTING SHOT	98		
PROMOTIONAL MARKETING	102	PERSONAL PRIVILEGE	36		
EDITORIAL	17	PHOTO REVIEW	110		
FOR THE RECORD	113	PRESSTIME	8		
FORUM	18	REGIONAL NEWS	94		

Vol. 57, No. 52—ADVERTISING AGE (ISSN 0001-8099) is published weekly except semiweekly the fourth week in March and the first week in September at 740 Rush Street, Chicago, Ill. 60611-2591. Second-class postage paid at Chicago and additional mailing offices. Send address changes to ADVERTISING AGE, Circulation Department, 965 E. Jefferson, Detroit, Mich. 48207. Microfilm copies are available from University Microfilms, 300 N. Zeeb Rd., Ann Arbor, Mich. 48103. Microfiche copies are available from Bell & Howell, Micro Photo Division, Old Mansfield Rd., Wooster, O. 44691. \$1.50 a copy, \$57 a year, \$104 two years. Add \$86 per year for air delivery to Europe & Middle East. Add \$34 for surface mail to all other foreign countries. WILLIAM STRONG, vp-circulation; JOHN HUFFMAN, fulfillment director; DAVE KELLEY, circulation manager. Four weeks' notice required for change of address. Address all subscription correspondence to Circulation Department, Advertising Age, 965 E. Jefferson, Detroit, Mich. 48207 (313) 446-0494.

OTHER NEWS

TreeSweet, the maverick fruit juice company taking on Coca-Cola Co.'s Minute Maid, Beatrice Cos.' Tropicana and Procter & Gamble's Citrus Hill brands, has begun distribution of TreeSweet Lite fruit-juice beverages with a \$40 million effort that begins today in 40% of the country. Page 12.

Chrysler Corp. is giving its marketing managers a bigger and earlier say in the development of future cars and trucks. Page 22.

Domestic home-computer marketers' prospects for revival during the big Christmas selling season hinge on a wave of feature-packed new products and aggressive discounting of mature models to combat no-frills imports. Page 30.

When Benetton Cosmetics Corp. comes out with its first fragrance next July, that will not be its last word on beauty. Benetton intends to add cosmetics and skincare to its menu by 1989. Page 34.

Timothy Forbes has heard the gibes that he's running a magazine at 32 only because daddy bought it for him. Previously a tv-film writer-producer, Mr. Forbes was named to his first publishing post after his father, Malcolm, bought American Heritage Publishing Co. last January. Page 74.

With a hefty ad campaign breaking this fall, Campbell Soup Co.'s new Prego Al Fresco is expected to stir up the \$820 million spaghetti sauce pot. Page 78.

Sometimes ice cream novelties aren't so novel at all. Take Chipwich-creator Richard LaMotta's latest invention: Love Bites. These little chocolate-covered ice cream bonbons certainly owe some homage to the Carnation-brand Bon Bons. Thick of coating and rich of cream, they're also descendants of the DoveBar. Page 82.

SPECIAL REPORT

Wine and beer coolers are expected to sell 60 million to 65 million cases by the end of the year, topping last year's total of 41 million. What started as the backyard venture of a couple of California entrepreneurs has become a \$1 billion business. And four companies, by the sheer volume of their advertising budgets, have restricted entry into cooler markets.

FIGURES TO FILE

NEWSPAPER AD INCHES FOR JULY '86 96

BBDO gives 'humane' feel to Apple ads

By CLEVELAND HORTON

Apple Computer is dropping hard sell for heart sell in 11 bold new commercials from BBDO Worldwide.

In spots in the tradition of BBDO's "feel good" award-winning work for Pepsi-Cola Co., the Cupertino, Cal.-based computer company is projecting a "more humane" approach in selling Macin-

tosh and Apple II personal computers.

"The power to be your best" is the new tv and print theme.

Among the new spots:

• "Put Mac in" uses quick-cut imagery to show business people successfully using the Mac in offices. With a 100-piece orchestra performing original music on the sound track, the spot shows workers of all ages and ranks excelling with the Mac.

• "Momentum series," a collection of four spots, doesn't show or mention the Mac until the last frame, a first for the pc industry, said Apple advertising and sales-promotion manager Bruce Mowery.

In one commercial, executives watch two junior employees (identified as "hot shots from finance") carrying computers from their homes to the office. What brand are they? The last frame



In "Influence" (above), Apple Computer reminds parents of the many influences—not all of them good—on school-age children.

(Cont'd. on Page 118)

Dallas dailies' war escalates

By TOM BAYER

DALLAS—The Dallas Times Herald has sent the Audit Bureau of Circulations what it says is evidence of shady circulation practices at the rival Dallas Morning News. And the Morning News has turned over to the ABC evidence it believes will cause an investigation of the Times Herald's circulation department, sources close to both papers said last week.

William Dean Singleton, who bought the Times Herald from Los Angeles-based Times Mirror Co. this summer, fired the first shot when he brought in lawyers from Cleveland to look for evidence of circulation fraud at the Morning News. They reportedly turned up

questionable circulation practices, which were described in a lengthy memorandum sent to ABC headquarters in Schaumburg, Ill.

The Morning News, which sources say was aware of the Times Herald's private investigation, launched a probe of its own. That investigation is said to have yielded evidence—including videotapes—that, if accepted by the ABC, could slash up to 25,000 from the Times Herald's circulation numbers.

Mr. Singleton would not confirm that his paper has requested the ABC investigation. He also refused to discuss the Times Herald's own circulation. Likewise, Morning News officials declined to com-

(Continued on Page 114)

West Coast News

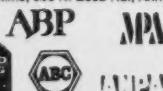
Dailey, eyeing Western loss, hit with layoffs

LOS ANGELES—Dailey & Associates has laid off about 25 people, relating to the imminent loss of the Western Airlines business after its planned merger with Delta (AA, Sept. 15). The agency is down to 225 persons from a peak of near 300 in 1985, following a string of account losses.

SAN FRANCISCO—The Merchandising Factory here is in contact with Allen & Dordward and other Bay Area agencies about a possible buyout. The sales-promotion agency has been considering the move since several top executives left to form Lewis & Partners with TMF's key account, Carnation Co., nine months ago.

NEWPORT BEACH, CAL.—Wakeman & deForrest, a direct response agency owned by Saatchi & Saatchi Compton Group Co. for the past year, is spinning off as an independent agency.

PHOENIX—El Pollo Asado, a charbroiled chicken fast-food chain here, is contacting 45 agencies in California, Denver and here to handle its \$2 million-to-\$3 million account. Duval Advertising, Tucson, which does project work, will participate.



Local business books consolidating

By GARY LEVIN

American City Business Journals' \$40 million acquisition of Business Journal Publishing Co., St. Louis, further consolidates ownership in the growing business-weekly segment as local media ad growth continues to outpace that of national media.

Publicly held ACBJ, based in Kansas City, Mo., adds six titles to its growing stable of 19 business weeklies owned or managed by the company. Combined circulation for the group is 324,741, according to the company. The publications to be acquired by Nov. 15 are in Baltimore, Cincinnati, Indianapolis, Philadelphia, Pittsburgh and St. Louis.

Additionally, ACBJ and Scripps Howard Jan. 1 jointly will create the Weekly Business Journal Advertising Network, a Kansas City-based network to help attract national advertisers.

"This particular niche industry is a very good business to be in," said ACBJ chairman Michael Russell, adding that revenues from weeklies more than two years old are up 9% this year while the national media climate remains flat.

"It had been fragmented as far as ownership is concerned, and we

ACBJ buy, ad combine latest moves

found a lot of the things we learned in running [our] business can work all over." While most business operations are decentralized, editorial similarities include advertiser-targeted themed sections and rankings of local businesses, both staples of that publishing segment.

ACBJ already owns six titles and manages 13 others held by its prin-

Other personnel will remain intact, Mr. Russell said; no decisions have been made regarding format changes.

Mr. Russell said 10 ACBJ titles have been acquired or launched since 1985, illustrating the growing attraction of local business publishing ventures.

In response to the recent growth, many major daily newspapers

Forbes and Fortune. Each has reported significant year-to-date ad-page declines.

Local business weeklies, however, rely more upon local, more targeted advertisers such as healthcare, telephone and business service companies less affected by changes in the economy, Mr. Noble said. "The long-term prospects are excellent."

Major national advertisers have mostly avoided these titles because of difficulty in buying large groups of papers and because of what observers called uneven editorial quality. The proposed Weekly Business Journal Advertising Network, joining Scripps' 10 titles with ACBJ's 25, is meant to reverse that trend.

"Frankly, we've done a very poor job on national sales, and what little we've done has been regional buys," said ACBJ vice-chairman Bill Worley. "[The market's] been so fragmented, we think if we stroll in with 40-plus journals, it'll be easier for agencies to buy into the market."

Ad-page performance this year has been varied, with growth mainly dependent on local market conditions. At ACBJ's Kansas City paper, ad pages through August of this year were down 13.9%, while those at Business Journal's Indianapolis paper were up 23.7%, according to reports from both weeklies.

Other companies in the burgeoning field include Cincinnati-based Scripps Howard, whose 10 titles have a mostly nonpaid combined circulation of 254,837, and Crain Communications, which publishes business weeklies in Chicago, Cleveland, Detroit and New York, in addition to ADVERTISING AGE.

Crain's Chicago Business, perhaps the largest business weekly with paid circulation of 42,249, was started in 1978.

Few markets have supported more than one business weekly despite the industry's growth, with the exception of more feature-

"Frankly, we've done a very poor job on national sales, and what little we've done has been regional buys. [The market's] been so fragmented, we think if we stroll in with 40-plus journals, it'll be easier for agencies to buy into the market."

—Bill Worley,
ACBJ vice-chairman

cipals, including Mr. Russell. Those 13 will be folded into the public company as they become profitable, he said.

The company was formed only four years ago with the Kansas City Business Journal, which has a paid circulation of 14,396, the largest among ACBJ's titles. The largest among the Business Journal group is in St. Louis, where the weekly circulates 19,064 paid copies.

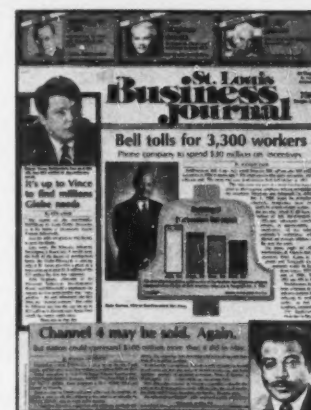
Business Journal president Mark Vittert has been offered a position on ACBJ's board; he could not be reached for comment on his future plans.

have increased their business coverage. And while some dailies are "embarrassed" when weeklies break major stories, Mr. Russell believes they've reaped financial rewards from the new advertising market created by business papers.

The Assn. of Area Business Publications reports 97 members—including 64 tabloids—compared with 17 in 1979. Combined circulation for those publications is 2.1 million.

J. Kendrick Noble, analyst at PaineWebber in New York, said weekly business tabloid publishers have fared especially well in the general trend toward more specialized media.

Mr. Noble said the uncertain impact of recent tax-reform legislation has made many national business-to-business advertisers skittish, and may lead to further erosion among national business magazines such as Business Week,



St. Louis Business Journal is the largest of the six Business Journal Publishing Co. publications purchased by American City Business Journals.

oriented titles such as Manhattan, inc. in New York and Regardie's in Washington.

In Dallas, Denver, New York and Pittsburgh, major publishers have acquired and folded other competing publications to ensure their own profitability. "Only one will have the financial wherewithal to stay with it," Mr. Russell said.

CORRECTIONS & CLARIFICATIONS

- Gardner Advertising, St. Louis, supplied the wrong credits for the "How to repair your Nynex Yellow Pages" ad for Southwestern Bell Media, shown in the Best of Press feature (AA, Sept. 8, P. 56). The correct copywriter was Frank Oros and the art director was Marty Chappo.
- The turn-of-the-century boardwalk on which a Planters peanut commercial was filmed is located in Victorian-tinged Ocean Grove, N.J., not at the gambling mecca of Atlantic City, 100 miles to the south (AA, Sept. 15, P. 34).
- In an article on Courvoisier cognac (AA, Sept. 22, P. 54), two titles in the creative credits at J. Walter Thompson USA, New York, were transposed. Jim Patterson is exec vp-executive creative director, who served as copywriter on the campaign with Mary Warner, copywriter.
- The former agency for Equitable Life Assurance Society was D'Arcy Masius Benton & Bowles, New York, not Ally Gargano/MCA, as reported (AA, Sept. 29, P. 8).
- The following are corrections for profiles appearing in the 100 Top Media Cos. issue appearing June 30:

In the profile on Dow Jones & Co. (P. S-30), it was mentioned that DJ hopes its own and Teletext's data eventually may be accessible to home users and small companies worldwide. Such data have been available to such users for some time. Dow Jones also sold about 65% of its 24.5% interest in Continental Cablevision back to Continental, not 8% of its 25% as reported. The Wall Street Journal, which is proceeding with its front-end pagination, was not held up in its plan to construct a plant in Oklahoma City because of the ban on liquor advertising, as stated. DJ officials say by the time DJ was ready to break ground on the plant, the court had ruled against the law.

McCall Publishing Co. did not buy a cable tv system as mentioned in a chart (P. S-70).#

CALL ON US FOR

COSTUMES

OF EVERY DESCRIPTION
CUSTOM-MADE
MASCOTS AND
LOGO REPRODUCTIONS
OUR SPECIALTY
OVER 200
"STOCK" DESIGNS
AVAILABLE
MAILED PRESENTATION \$5
FACEMAKERS, INC.
DEPT. A-49
140 FIFTH STREET
SAVANNAH, IL 61074
815-273-3944



REACH WOMEN 18-49 AT SHOPPING MALLS WITH TARGETED PRODUCT PROGRAMS

FUN PRODUCTS



CELEBRATE THE GOOD LIFE

FOOD PRODUCTS

National
Food & Beverage
Festival



HOME PRODUCTS

Better
Homes
and Gardens

1987
MALL HOME SHOW

HEALTH PRODUCTS

HEALTH
and
FITNESS
F·A·I·R

CHANCES ARE WE HAVE A BEEMAK MOLDED DISPLAY OR HOLDER IN STOCK THAT FITS YOUR NEEDS. IF NOT WE'LL MAKE YOU ONE THAT WILL!



SINCE 1961

BEEMAK PLASTICS

7424 SANTA MONICA BLVD.
LOS ANGELES, CA 90046

Write or call for free catalog

PHONE: (213) 876-1770

Outside Calif. call toll free

1 (800) 421-4393

DEMONSTRATE, EDUCATE, RESEARCH & TEST
CALL FOR A 20 MINUTE PRESENTATION

SHOPPING CENTER NETWORK

11410 N. Kendall Drive • Suite 303
Miami, FL 33176 • (305) 595-0201
Miami • New York • Los Angeles • Chicago

Special Report

David Lee Colekko, photo by Scott Simons

Cooler success freezes out most competitors

By Harvey M. Lederman

Who could have predicted that a backyard business started by two childhood friends, who each invested \$5,000 in the venture, would evolve into the \$1 billion-plus wine cooler industry? Certainly not Stuart Sewley and Michael Crete, the two partners who founded California Cooler Co., Stockton, Cal., just five years ago.

When California Cooler began peddling its wine cooler, the competition was sparse and far from formidable. By the first quarter of this year, however, the world's largest winery, brewery and distillery were all vying for the top spot and all three were holding fat bankrolls. And California Cooler, purchased by Brown-Forman Corp., Louisville, Ky., last September for \$55 million plus future payments that could total another \$83 million, also was poised and ready to spend heavy ad dollars.

Harvey M. Lederman, former managing editor of Liquor Store, New York, has covered the cooler craze since its inception.

By spending anywhere from an estimated \$20 million to \$30 million on advertising, E&J Gallo Winery, Anheuser-Busch, Joseph E. Seagram & Sons and Brown-Forman collectively have made the cooler business a high stakes game.

Cooler marketers and industry observers are confident the category will continue to grow steadily for the next few years.

Jon G. Fredrikson, president of Gomberg, Fredrikson & Associates, San Francisco, a consultant to the wine industry, estimates 60 million to 65 million cases of coolers—including malt-based coolers—will have been sold by year's end, up from 41 million cases in 1985.

But he and several cooler marketers caution that the price of entry—as well as the price of competing—is growing higher each day.

"I think consumers will stick with image-driven brands and I think you may see a proliferation of packages, sizes and flavors," says Jon Gardner, California Cooler's marketing director. He sees room in the market for so-called niche brands but says the cost of entry at this stage would be staggering.

Despite all indications to the contrary, a few naysayers—i.e. Bert Notarius Premier Liquor Buffalo, N.Y.—believe coolers will prove to be as faddish a product as pop wines, such as Boone's Farm, were in their heyday. Cooler marketers disagree.

"The coolers fill a very important and clearly perceived need," says Robert Huntington, vp-marketing planning at Canandaigua Wine Co., Canandaigua, N.Y. "They provide some very real and very important benefits in relation to changing cultural, social trends and legal imperatives.

"The pop wines represented more of a social statement by a transitory and rebellious young

population group who embraced pop wines as something they had discovered as their own drink," Mr. Huntington says.

Coolers, however, meet the needs of an American populace that has grown increasingly more concerned about diet, health and fitness. With their lighter taste and lower alcohol content, coolers are being embraced by a true demographic cross-section of the population. Further, the sweet taste of a cooler doesn't require the new drinker to acquire a taste for the product, as is the case with beer and liquor.

Recognizing the appeal of wine coolers, several brewers entered the market with malt-based products. To date, only Stroh's White Mountain cooler has shown any real success and a significant share of its sales—estimated as high as one-third by some industry experts—is coming from states where it has a tax and distribution advantage over wine coolers. Several states, like Pennsylvania—White Mountain's leading market—bar the sale of wine-based products in supermarkets and other food stores.

Mr. Fredrikson says it would

not be inconceivable for Anheuser-Busch or Adolph Coors Co. to introduce malt-based coolers. A-B is struggling with its Baybry's champagne cooler and is spending more than \$20 million to support its low-calorie wine cooler entry, Dewey Stevens. Coors had introduced a brand named Colorado Chiller, which froze in test market.

With the cooler market expanding to include malt-based products and, more recently, Seagram's spirits-based Golden Spirits line, the question of what constitutes a cooler needs to be answered. Gallo reportedly is trying to do just that by having the federal government stipulate that only wine coolers should be labeled coolers.

"The fact that now we have wine, beer and spirits coolers at similar alcohol levels but taxed differently at the federal and state levels tells me that at some point it may all change," Mr. Fredrikson says.

What has changed is the attitude of the key liquor retailers and supermarket chains; they now recognize that the category is permanent, not seasonal. Many retailers have sharply

(Continued on Page S-8)

Top 10 cooler brands Share of market

	1986*	1985
1. Bartles & Jaymes	22.1%	17.5%
2. California Cooler	18.0	26.8
3. Sun Country	13.1	11.7
4. White Mountain	12.4	7.5
5. Calvin Cooler	8.3	6.5
6. Seagram's Golden	6.9	—
7. Seagram's Premium	5.5	9.3
8. Dewey Stevens	2.8	—
9. 20/20	2.5	3.7
10. La Croix	1.5	1.9

*estimate
Source: Impact Databank, 1986